

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6763

BILL NUMBER: HB 2120

DATE PREPARED: Dec 21, 2000

BILL AMENDED:

SUBJECT: Structured Settlements and Transfers.

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill establishes certain disclosure requirements for structured settlements concerning: (1) periodic payment of damages for personal injuries or sickness established by settlement or judgment to resolve a tort claim; or (2) periodic payments in settlement of a worker's compensation claim. It establishes numerous required procedures for the direct or indirect transfer of structured settlement payment rights.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The disclosure of the terms of structured settlements would have no fiscal impact on state or local governments. The requirement that transfers of structured settlements is approved by courts or responsible administrative authority could have state and local impact depending on the number of transfers. The number of transfers of structured settlements annually is not known so it is difficult to estimate the impact on the state's court system. The fiscal impact will be updated if additional information becomes available.

Explanation of State Revenues: If these cases are filed as civil cases, the litigant would pay a \$100 filing fee. 70% of the civil filing fee is deposited in the State General Fund.

Explanation of Local Expenditures: If a large number of these cases are disproportionately filed in individual trial courts, then these local courts could incur additional costs.

Explanation of Local Revenues: The county general fund receives 27% of the civil filing fee. If a city or town prosecutes more than 50% of their local ordinance violations in a trial court, the local municipality receives 3% of the court fees collected by the clerk of the circuit court in that county.

State Agencies Affected:

Local Agencies Affected: Trial courts.

Information Sources: IC 35-19.